
HOUSE BILL 2820

State of Washington 61st Legislature 2010 Regular Session

By Representatives O'Brien and Kelley

Read first time 01/14/10. Referred to Committee on Judiciary.

1 AN ACT Relating to reserve accounts for condominium associations;
2 and amending RCW 64.34.380.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 64.34.380 and 2008 c 115 s 1 are each amended to read
5 as follows:

6 (1)(a) An association is encouraged to establish a reserve account
7 to fund major maintenance, repair, and replacement of common elements,
8 including limited common elements that will require major maintenance,
9 repair, or replacement within thirty years. A reserve account shall be
10 established in the name of the association. The board of directors is
11 responsible for administering the reserve account.

12 (b) By January 1, 2015, an association with twenty-five or more
13 unit owners is encouraged to establish a reserve account and maintain
14 at least a seventy percent funding level in the reserve account as
15 determined by using the association's most current reserve study.

16 (2) Unless doing so would impose an unreasonable hardship, an
17 association shall prepare and update a reserve study, in accordance
18 with the association's governing documents and RCW 64.34.224(1). The

1 initial reserve study must be based upon a visual site inspection
2 conducted by a reserve study professional.

3 (3) Unless doing so would impose an unreasonable hardship, the
4 association shall update the reserve study annually. At least every
5 three years, an updated reserve study must be prepared and based upon
6 a visual site inspection conducted by a reserve study professional.

7 (4) This section and RCW 64.34.382 through 64.34.390 apply to
8 condominiums governed by chapter 64.32 RCW or this chapter and intended
9 in whole or in part for residential purposes. These sections do not
10 apply to condominiums consisting solely of units that are restricted in
11 the declaration to nonresidential use. An association's governing
12 documents may contain stricter requirements.

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